--- "Series of 1880" - CANADA LEAF ONLY - Division Open ---

Chris Ryan, the 'Canadian Revenue Newsletter', No. 40, December 2002

"The Inland Revenue Act of 1880 made significant changes to the stamping requirements for manufactured tobacco. While previous Statutes had simply required that every '***package, box, case, jar, canister or parcel***' of dutiable tobacco be stamped, the new excise law was more exact in its requirements. For small packages (less than one pound) of manufactured tobacco, it had previously been the practice in some instances to stamp only the outer carton or packing case that enclosed the individual packages. These enclosed packages could be as small as one-sixteenth of a pound for *cut tobacco* (1869) and one-fiftieth or one-sixtieth of a pound for *cigarettes* (1880). Under the 1880 Act, every individual package of one pound or less was to be stamped, and to pay the duty represented by the stamp. This requirement is reflected in a Revenue Department circular, of June 28th 1880, in which excise officers were informed as follows:

> ***You will observe that the Tobacco labels will not adhere to tin foil with ordinary gum or paste. The manufacturers must therefore either envelope the tin foil in an outer wrapper of paper or provide some kind of gum or paste by which the labels may be so attached that they cannot be removed without destroying them.***

To meet the new stamping requirements, strip stamps ... were ordered by the Revenue Department from BABN starting in June of 1880. Supplementing the black excise consumption stamps and the red excise warehouse stamps were green excise consumption stamps for use at a reduced rate of duty on tobacco products manufactured exclusively from Canadian leaf. These special *Canada Leaf Only* stamps are erroneously listed in the Brandom catalogue as *Raw Leaf* stamps, which they are not. Continuing with the practice initiated in late-1874, the new strip stamps were produced as a *general-series* in which the space for the division name was left blank, and a number of *division-specific* series which include the name of the Division and the signature of its Collector. All of the new strip-stamps were produced by lithography. With the arrangements for the new design of stamp in hand, the Revenue Department informed BABN, on July 1st 1880, that the plates for the rectangular, intaglio one-half and one-quarter pound tobacco M-stamps then in use were obsolete. ...

Other than the special *Canada Twist* stamps, all of the new strip-stamps for manufactured tobacco were intended primarily for use on *cut tobacco*. The latter comprised tobacco produced from dried, aged leaves that were moistened and flavoured prior to being shredded or granulated. The degree of flavouring varied with the intended end use of the product: cigarettes, pipes or chewing. For smoking tobaccos, additives were used to improve the burning characteristics of the finished product. Under a January 22nd 1877 ruling by the Revenue Department, cigarettes were treated as cut tobacco for excise purposes. The Act of 1880 specified a one-pound limit for individual packages of *cut tobacco*, a two-pound limit for *Canada Twist*, and a ten-pound limit for *snuff*. Any number of small packages of one pound or less could be enclosed in an outer carton or packing case to a maximum weight of one hundred pounds. In 1882, the limit for individual packages of *fine cut* tobacco was increased to five pounds.

The consequence of the above size restrictions was to limit use of the 'large' manufactured tobacco stamps, particularly the Caddy and Box stamps, to *pressed forms* of tobacco. These types of manufactured tobacco, in their smoking and chewing varieties, were known as cake, cavendish, pigtail, plug, roll, rope or twist tobacco (excluding Canada Twist), with 'plug' and 'twist' appearing to have been the most commonly used terms.

The production of pressed tobaccos traditionally began with the soaking of whole, dried leaves in flavouring-sauces of various compositions. This was followed by drying, gentle steaming and the application of high pressure for at least several weeks during which the product fermented. Variations in finished products resulted from the type of tobacco leaf, the composition of the sauce, and the degree of fermentation. Flavouring agents used in the sauces included licorice, sugar, honey, salt, saltpetre, almond oil, bergamot oil, lemon, cardamon, cloves, mace, styrax, nutmeg, cinnamon, caraway seed, fennel seed, and vanilla.

Twist tobacco (also known as pigtail, roll or rope tobacco) is the oldest form of pressed tobacco. It was traditionally produced by first rolling the flavoured leaves lengthwise into the form of a tube. The tubes were then formed into the twist by feeding them into a machine that produced a long cord in a manner similar to rope-making. Alternately, each tube could be folded lengthwise and twisted as an individual piece. If formed into a long cord, the twist would be coiled around a cylinder prior to being pressed.

Plug tobacco (also known as cake or Cavendish tobacco) was produced by pressing the flavoured leaves in rectangular moulds to form a flat cake or bar. The term 'cavendish' referred to sweetened plug tobacco intended for chewing.

During the 1800's and the early part of the 1900's, pressed tobaccos were packaged in large caddies and boxes from which retailers would remove individual plugs or twists for sale to consumers. As will be discussed later, Canadian manufacturers of that period were very reluctant to package their pressed tobaccos in units of less than ten pounds."

Chris Ryan, the 'Canadian Revenue Newsletter', No. 40, December 2002

"The coded version of the strip-stamps, are designated hereafter as the 'Series of 1881'. The items new to the set, which were not part of the 'Series of 1880', are the Customs strips. In spite of the requirements of the Act of 1880, the Customs Department had persisted in the old practice of stamping only the outer carton or packing case and had declined to provide any denominated stamps for small, individual packages. Thus in December 1880, the Revenue Department assumed the responsibility for procuring the blue Customs tobacco revenue stamps. In July of 1881, the Revenue Department also assumed the responsibility for the distribution of the stamps to local Customs officers through local Revenue Collectors. The July 12th 1881 notice from the Commissioner of Customs to his officers read as follows:

> ***I have to inform you that the duty of procuring and furnishing stamps for Imported Tobacco, Cigars and Cigarettes, etc., has been assumed by the Department of Inland Revenue, and the Commissioner has arranged to place supplies of the different denominations of Stamps required in the hands of the Collectors of that Department to be supplied to the Collectors of Customs as required by them, and I am to instruct you, in future, to end your requisitions for such Stamps to the nearest Collector of Inland Revenue, who will then supply the same.***
>
> ***The denominations for Cut Tobacco, so far determined on, are 1 lb., 1/2 lb., 1/4 lb., 1/10 lb., 1/16 lb., and 'Not to cover more than 1/20 lb.'***
>
> ***In your requisitions you should state the number of any of the above Stamps you may require, and if there are Stamps of other kinds of denominations required, stating distinctly the contents and weight of the packages upon which they are to be placed, when if not at and they will be procured and forwarded by the said Department of Inland Revenue.***

It can be inferred from the circular quoted above that the strip-stamps for imported manufactured tobacco were new to Customs officers in July of 1881. Thus it appears that the provisions of the 1880 Statute regarding the stamping of small, individual, packages were not rigorously adhered to for imports until mid-July of 1881.

With respect to larger packages, the incremental transfer of the responsibility for the revenue stamps meant that the blue Caddy and Box stamps were finally introduced in 1881 *for Customs use* on imported tobacco products."

Chris Ryan reports that BABN was notified, on January 13th 1883, that there was to be no further production of the *lithographed* "Series of 1880-81", without specific permission from the Inland Revenue Department. As of July 1st 1883 the 1/20th; 1/10th and 2 pound green strips had been declared *obsolete* by the Department. However it seems to me (from reviewing the **4th BABN Contract** shipments) that permission was given to use their *on-hand obsolete* strips.

Table 3: Status of pre-1883 tobacco revenue stamps as of July 1st 1883

Remaining in use on and after July 1st:

All black strip-stamps for cut tobacco and cigarettes
All blue strip-stamps for cut tobacco and cigarettes
Green 1/5, 1/4, 1/2 and 1 pound strip-stamps
Black 5-pound stamps for fine-cut chewing tobacco
Black 10-pound stamps for pressed and fine-cut chewing tobaccos

Discontinued as of July 1st:

All brown and violet stamps for re-worked tobacco
All red stamps for warehoused tobacco
All Box and Caddy stamps, regardless of colour
All black 15-pound stamps
Green strip-stamps other than those listed above as remaining in use

"A detailed statement of the tobacco stamp stocks held by BABN in its capacity of official distributor was prepared on December 19th 1882 at the request of the Revenue Department. At that time the company held over 7.8 million tobacco stamps. In anticipation of the Act of 1883, the Revenue Department then instructed BABN, on January 13th 1883, not to print any new supplies of the soon to be supplanted stamps, unless specifically authorized to do so. In February and March of 1888, BABN delivered nearly 4.67 million of the now obsolete Series of 1880 and 1881 tobacco and cigar strip-stamps to the Revenue Department as remnants of the old stocks. Nearly 1.76 million of the remainders were 1/20-pound stamps in black or blue, about 2.11 million were stamps that had been obsolete since 1883, and almost 0.8 million were other miscellaneous denominations."

File path is c:\ CR - STAMPS \ RP_STAMPS \ 1880-81 \ CANADA LEAF ONLY \ Introduction,
In MS Word 2007 for Windows 7,
Formatted for a HP 1200 InkJet,
July 29th 2011 - JBH